

# KANSAS LEGAL SERVICES

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February 28, 2011

Dr. Jeff Colyer, Lt. Governor  
Medicaid Reforms c/o Dr. Barbara Langner  
Medicaid Director  
Kansas Health Policy Authority  
900 SW Jackson, Suite 900  
Topeka, KS 66612

Dear Dr. Colyer,

I appreciate the opportunity to respond to the request for ideas for pilot programs and reforms to improve the quality of care of Kansans receiving Medicaid; control costs of the program; and establish long-lasting reforms of healthcare that will improve the quality of health and wellness of Kansans.

Kansas Legal Services currently has a contract with the State of Kansas to provide legal representation and disability determination case management for adult General Assistance, Temporary Assistance to Families (TAF) and disabled children receiving assistance from the Kansas Department of Social and Rehabilitation Services. We receive over 4,000 referrals from the contracting State agency each year. The contract is performance-based and we have placed an increased emphasis on winning Social Security cases at the earliest possible (initial) level.

Kansas Legal Services (KLS) is uniquely well-qualified to provide Social Security advocacy services to General Assistance and MediKan recipients. As a statewide poverty law firm and advocacy organization, we have been providing direct services to this population since 1977. Assisting low income disabled individuals to obtain federal Social Security benefits is a primary area of specialization, experience and expertise of KLS. Indeed, we have had contracts with the State of Kansas to provide these services since 1986.

In Calendar Year 2010, KLS successfully obtained disability benefits for 1,092 individuals referred to KLS from SRS. Of those individuals, 763 were General Assistance recipients and the remainder were Temporary Assistance to Families recipients, Mental Health consumers or children. As a result of this work, SRS received at least \$774,695 in GA reimbursements. Most importantly, obtaining Social Security Disability benefits for a GA recipient resulted in an average cash back award to the client of over \$7,000 and monthly income averaging \$783.58 per month. This compares quite favorably to the \$100.00 of monthly income received by the average GA recipient.



SERVING KANSANS SINCE 1977

MediKan was originally intended as temporary coverage for people who were awaiting federal disability determination in order to receive Supplemental Security Income (SSI). Currently, the Kansas Health Policy Authority makes a "presumptive medical disability" determination for Medicaid, if it is deemed the applicant is likely to qualify for SSI (Tier 1 Disability Level). The Federal government participates in paying the costs of medical care for these people when they are presumptively made eligible for Medicaid. MediKan now serves people with disabilities, but are those deemed not likely to receive federal benefits with a lifetime benefit limit of 12 months (Tier 2 Disability Level). This program is 100% State funded.

The accuracy of the presumptive eligibility criteria becomes vitally important in this process. The better the system predicts future eligibility for SSI benefits, the more of the current cost can be shifted to the Federal government.

As a means of tracking the reliability of this system, we have kept track of the decision that KHPA makes (Tier I or Tier II) for the clients that we represent. Of the 763 General Assistance recipients for whom Kansas Legal Services obtained benefits in Calendar Year 2010, 388 (50.85%) were Tier 2 Disability Level. Based on the criteria used by KHPA, they were deemed not likely to receive federal benefits under the presumptive disability determination process, yet we were successful in obtaining benefits for them. Their medical care was initially paid for with State General Fund dollars, when a revamp of the system could result in that care being provided with substantial Federal contribution.

Based on our experience with this population, we recommend that the presumptive disability determination process be reviewed and criteria broadened in order for more applicants to presumptively receive Medicaid. Medical providers will receive reimbursements under Medicaid instead of MediKan and fewer State General Funds will be spent on medical expenses.

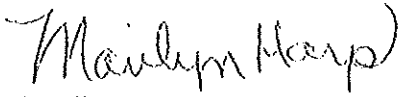
Kansas Legal Services works with the medical providers of the General Assistance population during the process of filing for application of Social Security benefits. Medicaid coverage may start retroactively to any or all of the three months prior to application, if the individual would have been eligible during the retroactive period. However, if the applicant is Tier 2, medical providers may not know that they have been approved for Social Security benefits and may not retroactively bill Medicaid for services. Even if they become aware of the retroactive change of eligibility, the benefit to the individual medical provider of refiling a claim that has already been covered by MediKan may not be cost effective. From the medical provider viewpoint, that bill has been paid. However, from the state viewpoint, filing a claim for Medicaid could be very cost effective. The state could receive a substantial reimbursement from Federal dollars for medical expenses that were originally paid totally with state dollars. We would propose to assist with flagging those claims and assisting in educating medical providers about the benefit of refiling a claim for Medicaid coverage after the individual has been approved for Social Security benefits.

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We appreciate our partnership with the State to provide case management and legal representation to Social Security applicants. KLS sees a value to continue partnering with the State in assisting applicants for federal Social Security benefits through the presumptive disability determination process and through the Social Security application process.

I will be happy to discuss any questions that you may have.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn Harp".

Marilyn Harp  
Executive Director

MH/ths